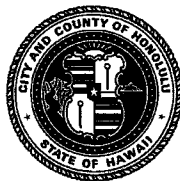


OFFICE OF THE MAYOR  
**CITY AND COUNTY OF HONOLULU**  
530 SOUTH KING STREET, ROOM 300 \* HONOLULU, HAWAII 96813  
PHONE: (808) 768-4141 \* FAX: (808) 768-4242 \* INTERNET: www.honolulu.gov



KIRK CALDWELL  
MAYOR

ROY K. AMEMIYA, JR.  
MANAGING DIRECTOR

GEORGETTE T. DEEMER  
DEPUTY MANAGING DIRECTOR

May 5, 2015

The Honorable Ernest Y. Martin  
Chair and Presiding Officer  
and Members  
Honolulu City Council  
530 South King Street, Room 202  
Honolulu, Hawaii 96813

Dear Chair Martin and Councilmembers:

Subject: Cost Items – United Public Workers, Bargaining Unit 1

Pursuant to Section 89-10(b) and 89C-2(4), Hawaii Revised Statutes (HRS), I am submitting for your action a non-wage cost item for United Public Workers (UPW) Bargaining Unit 1. The respective cost item is for the period effective July 1, 2015, to and including June 30, 2017.

According to Chapter 89, HRS, only cost items require Council action. Section 89-10(b), HRS, provides that,

*"The state legislature or the legislative bodies of the counties acting in concert, as the case may be, may approve or reject the cost items submitted to them, as a whole. If the state legislature or the legislative body of any county rejects any of the cost items submitted to them, all cost items submitted shall be returned to the parties for further bargaining."*

Section 89C, HRS, also requires Council action for cost items for excluded employees. Section 89C-2(4), HRS, provides that,

*"For excluded employees under the same classification systems as employees within collective bargaining units, adjustments shall be not less than those provided under collective bargaining agreements for employees hired on a comparable basis."*

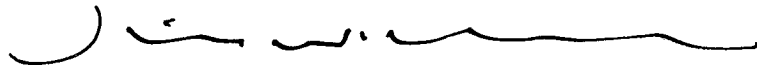
Attached is a summary of the cost item for included and excluded employees in Bargaining Unit 1.

RECEIVED  
CITY CLERK  
C & C OF HONOLULU  
2015 MAY -8 PM 12:27

The Honorable Ernest Y. Martin  
Chair and Presiding Officer  
and Members  
May 5, 2015  
Page 2

Should you have any questions, please contact Carolee C. Kubo, Director of Human Resources and the City's designee for collective bargaining, at 768-8500.

Sincerely,

A handwritten signature in black ink, appearing to read "Kirk Caldwell". The signature is fluid and cursive, with a long horizontal stroke at the end.

Kirk Caldwell  
Mayor

Attachments

cc: Department of Budget & Fiscal Services



## RESOLUTION

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APPROVING COLLECTIVE BARGAINING COST ITEMS FOR THE INCLUDED AND EXCLUDED EMPLOYEES OF THE CITY AND COUNTY OF HONOLULU IN BARGAINING UNIT 1 (UNITED PUBLIC WORKERS).

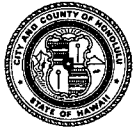
WHEREAS, Chapter 89, Hawaii Revised Statutes (HRS), establishes a statewide collective bargaining process for public employees; and

WHEREAS, the employers and representatives of Bargaining Unit 1 (United Public Workers) agreed to new Employer contribution amounts to the Employer-Union Health Benefits Trust Fund (EUTF) for plan years 2015-2016 and 2016-2017; and

WHEREAS, the new agreement makes adjustments to a cost item and is effective from July 1, 2015 through June 30, 2017; and

WHEREAS, pursuant to Section 89-10(b) and 89-11(g), HRS, the cost item is subject to appropriations by the respective legislative bodies; now therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that it approve the cost item for the included and excluded employees of the City and County of Honolulu in Bargaining Unit 1, a summary of which is attached as Exhibit A; and



**CITY COUNCIL**  
CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII

No. \_\_\_\_\_

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## RESOLUTION

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BE IT FINALLY RESOLVED that copies of this Resolution be transmitted to the Mayor and Director of Human Resources of the City.

INTRODUCED BY:

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DATE OF INTRODUCTION:

\_\_\_\_\_  
Honolulu, Hawaii

\_\_\_\_\_  
Councilmembers

## COLLECTIVE BARGAINING REPORT TO CITY COUNCIL AGREEMENT FOR BARGAINING UNIT 1

The parties agreed to new Employer contribution amounts to the Employer-Union Health Benefits Trust Fund (EUTF) for plan years 2015-2016 and 2016-2017.

The agreement covers the following City employees (as of March 31, 2015):

Bargaining Unit	Without Board of Water Supply		With Board of Water Supply	
	Included	Excluded	Included	Excluded
1	1,679	20	1,883	20

### Summary of Agreement

#### I. Duration

The new agreement over Employer contribution amounts to the EUTF is effective from July 1, 2015 through June 30, 2017.

#### II. EUTF

Effective July 1, 2015, the Employer will pay specific monthly contributions of the premium costs and administrative fees for the Trust Fund health benefit plans and 100% of the premiums and fees for the Life Insurance plan. The dollar amounts the Employer will pay will be equivalent to the amounts paid for Hawaii Government Employees Association (HGEA) bargaining units 2, 3, 4, and 13.

Effective July 1, 2016, the Employer will pay specific dollar amounts for the PPO and HMO plans which are equivalent to the Employer Contribution rates from the previous year plus an increase of \$10, \$20 or \$30, for the self-only, two-party and family rates, respectively. The Employer will pay specific monthly contributions which are generally equivalent to 60% of the premium cost and 60% of the administrative fees for all other plans except the life insurance plan (for which the Employer shall 100% of the premiums and fees). The estimated increase to EUTF costs for Unit 1 is as follows:

FY 2016	FY 2017
\$745,119	\$382,331